OMB Approval No.: 3245-0265
Expiration Date: 11-30-93

ENVIRONMENTAL QUESTIONNAIRE

INSTRUCTIONS: Use the following as a guide to determine if a Phase I or Phase II audit is needed. The lender is to complete it during an on-site inspection when commercial real estate is to be taken as collateral. Residential real estate is excluded.

1.   Determine the prior, current and planned uses for the property. If any of these involve operations that used or use toxic chemical, require a Phase I audit.

2.   To the extent possible, determine the prior, current and planned uses of all adjoining property. If any of these involve operations that used or use toxic chemicals, require a Phase I audit.

3.   Conduct a visual inspection of the facility, preferably accompanied by the current owners. The following observations may trigger the need for a Phase I audit:

* any evidence that chemicals are used in the operation of the facility.
* discarded chemical containers.
* waste piles of any type (ask about buried waste and the presence of underground storage tanks).

* evidence of distressed vegetation of non-vegetative areas.
* oily films on standing water.
* discolored soils.
* unusual odors.

4.   Determine that all relevant environmental permits and/or notifications are in place. If not, require a Phase I audit. (Consult local regulatory authorities about requirements.)

5.   Determine whether the facility has ever been involved in:

* any citations, claims or complaints regarding environmental problems.
* any notice of violations.
* any environmental clean-up actions.

<u>Lender or SBA Report on Issues Covered by This Questionnaire</u>:

<u>Recommendation</u>:

<u>Acknowledgement By the Applicant</u>:

I acknowledge that I have read this questionnaire and have responded to the issues and questions posed therein to the best of my knowledge.

Corporation) _____
                                                 Business Name
                    by: _____
                                                  (Name & Title)

(Other) _____
                                                 Business Name

                    By: _____
                                                  (Name & Title)